

**AKIN GUMP STRAUSS HAUER & FELD LLP**

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*Proposed Counsel to the Official  
Committee of Unsecured Creditors  
of Purdue Pharma L.P., et al.*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:

PURDUE PHARMA L.P., *et al.*,<sup>1</sup>

Debtors.

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)  
) Chapter 11  
)  
) Case No. 19-23649 (RDD)  
)  
) Jointly Administered  
)  
)  
)  
)  
)  
)

**DECLARATION OF ARIK PREIS IN SUPPORT OF THE OBJECTION OF THE  
OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF PURDUE  
PHARMA L.P., *ET AL.* TO THE DEBTORS' MOTION TO ASSUME THE  
PREPETITION REIMBURSEMENT AGREEMENT WITH THE AD  
HOC COMMITTEE, AND TO PAY THE FEES AND EXPENSES OF  
THE AD HOC COMMITTEE'S PROFESSIONALS**

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<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor's registration number in the applicable jurisdiction, are as follows: Purdue Pharma L.P. (7484), Purdue Pharma Inc. (7486), Purdue Transdermal Technologies L.P. (1868), Purdue Pharma Manufacturing L.P. (3821), Purdue Pharmaceuticals L.P. (0034), Imbrium Therapeutics L.P. (8810), Adlon Therapeutics L.P. (6745), Greenfield BioVentures L.P. (6150), Seven Seas Hill Corp. (4591), Ophir Green Corp. (4594), Purdue Pharma of Puerto Rico (3925), Avrio Health L.P. (4140), Purdue Pharmaceutical Products L.P. (3902), Purdue Neuroscience Company (4712), Nayatt Cove Lifescience Inc. (7805), Button Land L.P. (7502), Rhodes Associates L.P. (N/A), Paul Land Inc. (7425), Quidnick Land L.P. (7584), Rhodes Pharmaceuticals L.P. (6166), Rhodes Technologies (7143), UDF L.P. (0495), SVC Pharma L.P. (5717) and SVC Pharma Inc. (4014). The Debtors' corporate headquarters is located at One Stamford Forum, 201 Tresser Boulevard, Stamford, CT 06901.

Under 28 U.S.C. § 1746, I, Arik Preis,<sup>2</sup> declare under the penalty of perjury that the following is true and correct to the best of my knowledge, information, and belief:

1. This declaration (the “Declaration”) is submitted in support of the *Objection of the Official Committee of Unsecured Creditors of Purdue Pharma L.P., et al. to the Debtors’ Motion to Assume the Prepetition Reimbursement Agreement with the Ad Hoc Committee, and to Pay the Fees and Expenses of the Ad Hoc Committee’s Professionals* (the “Objection”).<sup>3</sup>

2. I am an attorney in good standing admitted to practice in the State of New York, and I am a partner in the financial restructuring group at the law firm of Akin Gump Strauss Hauer & Feld LLP (“Akin Gump”). I was admitted to the New York State Bar in 2001 and have been practicing law in the area of bankruptcy and financial restructuring since that time. I make this Declaration based on my own personal knowledge and experience.

3. Attached hereto as Exhibit A is a true and correct copy of an email chain reflecting correspondence between counsel to the Official Committee and counsel to the CAHC from October 31, 2019 to November 11, 2019.

4. Attached hereto as Exhibit B is a true and correct copy of (i) an email I received from counsel to the CAHC on November 5, 2019 and (ii) the unredacted bylaws for the CAHC that were attached to that email.

5. Attached hereto as Exhibit C is a true and correct copy of (i) an email I received from counsel to the CAHC on October 31, 2019 and (ii) the redacted bylaws for the CAHC that were attached to that email.

6. Attached hereto as Exhibit D is a fee estimate provided by the four law firms

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<sup>2</sup> My legal name is Erik Preis but for my entire life I have utilized the name Arik and not Erik.

<sup>3</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Objection.

retained by the CAHC, which I received from counsel to the CAHC on November 9, 2019.<sup>4</sup>

7. Attached hereto as **Exhibit E** is a true and correct copy of email correspondence I sent to certain state attorneys general and to counsel to the Non-Consenting Ad Hoc Committee on November 8, 2019 and November 9, 2019.

8. Attached hereto as **Exhibit F** is a true and correct copy of email correspondence between counsel to the Official Committee and counsel to the CAHC on November 10, 2019.

9. Attached hereto as **Exhibit G** is a true and correct copy of email correspondence from counsel to the Official Committee to counsel to the CAHC on November 1, 2019 and November 4, 2019.

10. Attached hereto as **Exhibit H** is a true and correct copy of email correspondence from counsel to the Official Committee to counsel to the CAHC on November 1, 2019 and November 5, 2019.

11. **Exhibit A** through **Exhibit C** were provided on a confidential basis and are being submitted under seal.

Dated: November 12, 2019  
New York, NY

/s/ Arik Preis  
Arik Preis

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<sup>4</sup> The fee estimates set forth in **Exhibit D** were included as an attachment to the November 9, 2019 email from counsel to the CAHC included on page 3 of **Exhibit A**.

## **EXHIBIT A**

**FILED UNDER SEAL**

## **EXHIBIT B**

**FILED UNDER SEAL**

## **EXHIBIT C**



**FILED UNDER SEAL**

## **EXHIBIT D**

Purdue Pharma  
Ad Hoc Committee Professional Fee Budget

DRAFT - Subject to Material Change  
Privileged Confidential

Ad Hoc Committee Professional Fee Budget		
Professional Firm	Post-Petition Fees	Projected Fees
	9/15-10/31	Estimated Monthly Run Rate
Brown Rudnick	\$ 470,000	\$ 350,000
Kramer Levin	1,200,000	800,000
Gilbert	580,000	350,000
Otterbourg	372,000	250,000
FTI Consulting	650,000	1,000,000
<b>Total</b>	<b>\$ 3,272,000</b>	<b>\$ 2,750,000</b>

1. Note these are estimated fees/run rates and are not binding.

## **EXHIBIT E**

**From:** [Preis, Arik](#)  
**To:** [Troop, Andrew M.](#)  
**Cc:** [Preis, Arik](#); [Hurley, Mitchell](#); [lszlezinger@jefferies.com](mailto:lszlezinger@jefferies.com); [Kevin Sheridan](#); [Atkinson, Michael \(External\)](#); [Miller, Allison](#); [Lisovicz, Edan](#); [Porter, Katherine](#); [Brauner, Sara](#)  
**Subject:** FW: Purdue - Follow Up  
**Date:** Saturday, November 9, 2019 3:15:50 PM

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Andrew:

I sent this email to Gillian/David after our call yesterday, but in thinking about it, I should have obviously sent it to you as well, because Jefferies/Province are obviously available to you and all of the dissenting states – not just Mass and NY – on the same terms as below (I assumed you knew this, but perhaps all of your states don't, as Mass didn't know). Apologies for not sending to you in the first instance yesterday.

Thanks,  
Arik

Arik Preis  
Akin Gump Strauss Hauer & Feld  
One Bryant Park  
NY, NY 10036  
Office: 212-872-7418  
Cell: 646-483-2957  
[apreis@akingump.com](mailto:apreis@akingump.com)

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**From:** Preis, Arik <[apreis@akingump.com](mailto:apreis@akingump.com)>  
**Sent:** Friday, November 8, 2019 9:05 AM  
**To:** Feiner, Gillian (AGO) <[gillian.feiner@state.ma.us](mailto:gillian.feiner@state.ma.us)>; David.Nachman@ag.ny.gov; Alexander, Sandy (AGO) <[sandy.alexander@state.ma.us](mailto:sandy.alexander@state.ma.us)>  
**Cc:** Atkinson, Michael (External) <[matkinson@provincefirm.com](mailto:matkinson@provincefirm.com)>; Leon Szlezinger <[lszlezinger@jefferies.com](mailto:lszlezinger@jefferies.com)>; Kevin Sheridan <[ksheridan@jefferies.com](mailto:ksheridan@jefferies.com)>; Hurley, Mitchell <[mhurley@AkinGump.com](mailto:mhurley@AkinGump.com)>; Miller, Allison <[amiller@akingump.com](mailto:amiller@akingump.com)>; Lisovicz, Edan <[elisovicz@akingump.com](mailto:elisovicz@akingump.com)>; Brauner, Sara <[sbrauner@akingump.com](mailto:sbrauner@akingump.com)>; Porter, Katherine <[kporter@akingump.com](mailto:kporter@akingump.com)>; Preis, Arik <[apreis@akingump.com](mailto:apreis@akingump.com)>  
**Subject:** Purdue - Follow Up

Gillian, David, and Sandy,

Thank you for the call yesterday.

During the call, and in response to some questions you had, I had said that of course you are free, like any creditor, to talk to the UCC's financial advisor and investment banker regarding any questions you have (the same way you talk to the UCC's legal advisors - us – with any questions and we talk to you). Obviously, they are constrained by whatever confidentiality provisions relate to

information they receive (like you are –and so if you are receiving the same information as them, this should not be an issue), and they cannot share (at this point) with you UCC privileged analysis/work product, etc., but you should certainly reach out to them whenever you want – we and they are the advisors to your fiduciary body.

To that end, I have copied in Mike Atkinson (Province – our financial advisor) and Leon Szlezinger and Kevin Sheridan (Jefferies – our investment banker) – so that you have their information.

(As I mentioned, it had not occurred to me that you felt you could not reach out to them with your questions (as any creditor is permitted to do), but I should have obviously realized that what may seem obvious to some of us who do FR every day may not be so obvious to the fortunate among you who don't!)).

Thanks,

Arik

**Arik Preis**

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## **EXHIBIT F**

**From:** [Eckstein, Kenneth H.](#)  
**To:** [Preis, Arik](#)  
**Cc:** [Hurley, Mitchell](#); [Porter, Katherine](#); [lszlezinger@jefferies.com](mailto:lszlezinger@jefferies.com); [Atkinson, Michael \(External\)](#); [Kevin Sheridan](#); [Brauner, Sara](#); [Lisovicz, Edan](#); [Miller, Allison](#); [Ringer, Rachael](#); [mcyganowski@otterbourg.com](mailto:mcyganowski@otterbourg.com); [Simms, Steven \(External\)](#); [Pohl, Steven \(External\)](#); [gilberts@gilbertlegal.com](mailto:gilberts@gilbertlegal.com); [Diaz, Matt \(External\)](#); [Molton, David \(External\)](#)  
**Subject:** Re: [EXTERNAL] Purdue - Follow Up  
**Date:** Sunday, November 10, 2019 5:52:37 PM

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**\*\*EXTERNAL Email\*\***

Arik,

Thank you for speaking today and for your various follow ups. Rachel will be replying separately to your 4:28PM email.

I appreciate your offer to make Jefferies and Provence available to us. I will make sure the members of the AHC are aware of the opportunity. I believe we already have developed a good working relationship with both firms and I am aware that FTI has been working closely with them. I expect that coordination to continue and to increase as the case proceeds. We are prepared to reciprocate with you. Hopefully, the financial firms can develop and implement efficient work plans. Given the amount of diligence required both from the company and the shareholders, I believe this kind of coordination will prove extremely valuable to completion of an RSA and development of a plan. We share your sentiment that this be extended to the dissenting states as well. This is particularly timely with the injunction behind us.

Ken

Sent from my iPad

Kenneth H. Eckstein

Partner and Co-chair, Bankruptcy and Restructuring

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1177 Avenue of the Americas, New York, New York 10036  
T 212.715.9229 M 917.328.7847 F 212.715.8000  
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On Nov 10, 2019, at 3:42 PM, Preis, Arik <[apreis@akingump.com](mailto:apreis@akingump.com)> wrote:

Ken,



Just following up on our conversation - - as I noted to you, and as I offered to Andrew and the Dissenting States, Jefferies and Province are of course available to your clients (and you) to the extent you would like to discuss with them anything (they are copied here). Of course, they cannot discuss privileged ucc analysis/work product, and would be constrained by confidentiality (but my guess is that that will not be a problem because your clients will have access to most of what they receive, if not all), but other than that, your clients (and you) should feel free to reach out to them. I would ask that you of course forward this to your clients, as I understand that some State AG's or the PEC or the municipalities or tribes on the AHG of Supporting Parties may not be aware of this as well as I'm sure you are.

Thanks,

Arik

**Arik Preis**

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## **EXHIBIT G**

**From:** [Hurley, Mitchell](#)  
**To:** [Ringer, Rachael](#)  
**Cc:** [Eckstein, Kenneth H.](#); [gilberts@gilbertlaw.com](mailto:gilberts@gilbertlaw.com); [mcyanowski@otterbourg.com](mailto:mcyanowski@otterbourg.com); [Molton, David \(External\)](#); [Miller, Allison](#); [Preis, Arik](#)  
**Subject:** RE: Bylaws  
**Date:** Monday, November 4, 2019 10:16:55 AM

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Just a reminder on this, would you please advise the basis for the redactions? Also, the September 15 2019 letter with Purdue contemplates provision to Purdue of a copy of the bylaws (see page 2). Was the version supplied to Purdue redacted? Thanks in advance. Mitch

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**From:** Hurley, Mitchell  
**Sent:** Friday, November 1, 2019 12:37 PM  
**To:** Ringer, Rachael <RRinger@kramerlevin.com>  
**Cc:** Eckstein, Kenneth H. <keckstein@kramerlevin.com>; 'gilberts@gilbertlaw.com' <gilberts@gilbertlaw.com>; 'mcyanowski@otterbourg.com' <mcyanowski@otterbourg.com>; 'dmolton@brownrudnick.com' <dmolton@brownrudnick.com>; Miller, Allison <amiller@akingump.com>; Preis, Arik <apreis@akingump.com>  
**Subject:** Bylaws

Thanks for sending the bylaws, which we will maintain on PEO basis as you indicated. Would you please advise the reason for the redactions (the quorum and voting sections)? Thanks.

**Mitchell P. Hurley**

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## **EXHIBIT H**

**From:** [Hurley, Mitchell](#)  
**To:** [Ringer, Rachael](#)  
**Cc:** [Preis, Arik](#)  
**Subject:** RE: Bylaws  
**Date:** Tuesday, November 5, 2019 11:03:15 AM

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Hi Rachael, any progress on providing the un-redacted bylaws per our call yesterday? Thank you.

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**From:** Hurley, Mitchell  
**Sent:** Friday, November 1, 2019 12:37 PM  
**To:** Ringer, Rachael <RRinger@kramerlevin.com>  
**Cc:** Eckstein, Kenneth H. <keckstein@kramerlevin.com>; 'gilberts@gilbertlaw.com' <gilberts@gilbertlaw.com>; 'mcyganowski@otterbourg.com' <mcyganowski@otterbourg.com>; 'dmolton@brownrudnick.com' <dmolton@brownrudnick.com>; Miller, Allison <amiller@akingump.com>; Preis, Arik <apreis@akingump.com>  
**Subject:** Bylaws

Thanks for sending the bylaws, which we will maintain on PEO basis as you indicated. Would you please advise the reason for the redactions (the quorum and voting sections)? Thanks.

**Mitchell P. Hurley**

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